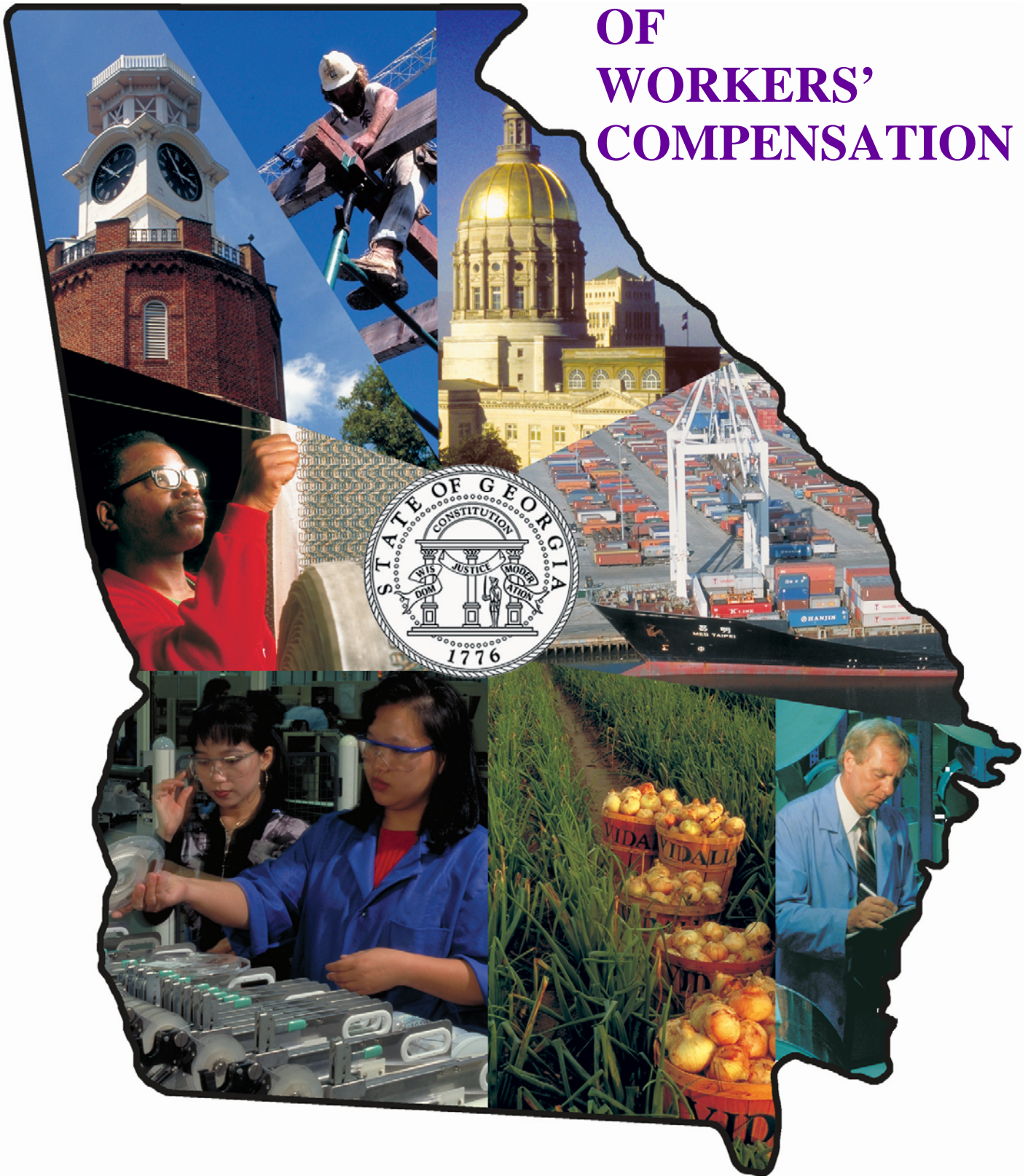


# STATE BOARD OF WORKERS' COMPENSATION



2003 ANNUAL REPORT

GEORGIA

# *Message from the Chairman*



Since beginning my service with the State Board of Workers' Compensation in 1987 I have witnessed and participated in many positive changes at the Board and in the workers' compensation system in Georgia. During my tenure as Chairman, the staff of the Board has been dedicated to building on past improvements and developing strategies to meet new challenges and enhance the effectiveness of the agency in fulfilling our mission.

This annual report contains information on the activities and operations of the Board's Divisions for the past fiscal year and summary snapshots of claims data. It is intended to provide an overview of the system for policy makers and stakeholders.

In the coming year we hope to move forward with the implementation of a technology program for integrated claims management to enable us to move from a paper-based to an electronic, web-based system. Each division of the Board has been involved in the strategic planning and development of this technology initiative which will streamline the monitoring of claims, provide the means to measure and monitor workflow, and increase accessibility for all stakeholders.

I thank our staff for their hard work and dedication to serving the people of Georgia. I am also very grateful for the time and expertise volunteered by the members of the Advisory Council and the Steering Committee. Their success in assisting the Board, the Governor's office and the legislature, with developing policies and educational programs is reflected in the improvements to the performance of the workers' compensation system in Georgia today.

Sincerely,

Judge Carolyn C. Hall  
Chairman



# MISSION STATEMENT

Established in 1920 by the Georgia legislature, the State Board of Workers' Compensation serves over a quarter of a million employers in Georgia and over 3.8 million workers\*. The State Board is funded by assessments from insurance companies and self-insured employers.

# MISSION VALUES

An employee that is injured on the job and is covered by the law may be eligible for replacement of a portion of lost wages, medical payments, vocational rehabilitation services and other benefits.

\*Georgia Department of Labor Estimates





# AT-A-GLANCE

DECEMBER 31, 2003

**A**t-A-GLANCE provides a capsule look at the financial information for exception claims and medical only claims by calendar year. Exception claims are those claims that; because of Rehabilitation, mediation, hearings, appellate review or stipulated settlements, require the Board's involvement beyond claim reporting. The information presented in At-A-Glance is current as of December 31, 2003, unless otherwise noted.

	2003	2002	2001	2000
<b>CREATED CLAIMS</b>	29,520	39,628	41,921	44,820
OPEN	18,278	14,741	9,264	5,869
CLOSED	11,242	24,887	32,657	38,951
<b>WC-4 CASE PROGRESS REPORT</b>				
Total Weekly Benefits \$	32,857,865	175,387,075	330,849,534	428,469,719
Physicians Benefits	14,181,423	61,889,525	97,417,680	113,616,410
Hospital	15,580,773	66,635,137	96,846,936	105,733,397
Pharmacy Benefits	1,589,847	7,510,794	14,590,374	19,986,685
Physical Therapy	2,705,071	14,654,418	21,576,467	23,861,155
Chiropractic	98,717	414,643	688,314	769,856
Other-Med	5,295,997	24,834,145	36,922,291	42,692,731
Rehabilitation	1,635,822	8,680,351	16,062,232	17,856,046
Late Payment Penalties	201,700	695,694	1,192,462	1,453,346
Assessed Attorney's Fees	33,220	354,857	982,943	1,292,828
Burial	141,288	500,240	739,054	728,325
<b>TOTAL</b>	<b>74,321,723</b>	<b>361,556,879</b>	<b>617,868,287</b>	<b>756,460,498</b>
AVERAGE COST OF A CLAIM \$	2,518	9,124	14,739	16,878
AVERAGE LOST WORK DAYS	30	65	101	116
<b>MEDICAL ONLY CLAIMS:*</b>				
WC-26 REPORT OF MEDICAL ONLY	130,353	159,088	188,644	218,430
TOTAL AMOUNT PAID \$	64,861,782	82,030,833	87,025,066	102,814,176
<b>TOTAL PAYMENTS ALL CLAIMS</b>	<b>139,183,505</b>	<b>443,587,712</b>	<b>704,893,353</b>	<b>859,274,674</b>

# INTRODUCTION

**I**t has been 84 years since the Georgia Legislature enacted the Workers' Compensation Law in 1920. The law created an organization called the Industrial Commission, the forerunner of today's State Board of Workers' Compensation, to encourage safety and assure benefits for injured employees.

Prior to the passage of the law, an employee who was injured on the job could not expect benefits from the employer. Men, women, and children were often subjected to harsh and oppressive working conditions with little or no recourse for work-related injuries. Courts often denied recovery to employees by holding that employees assumed risks in taking the job, were negligent, or were barred from recovery by the negligence of a fellow employee. Filing a suit in court was also unsatisfactory because trials were expensive and often lengthy. This posed a problem to an employee who needed money immediately to pay for medical expenses and replace lost wages. A successful suit could also force a small company out of business.

Today, the workers' compensation law provides for specific benefits to be paid to employees for injuries arising out of and in the course of employment, without regard to negligence or fault, and at the same time, provides the employer with limited liability. The rights granted an employee under the law preclude any other legal remedies against an employer by an employee due to a work-related injury.

The law is applicable to all employers, including public corporations and nonprofit organizations that have at least three full-time or part-time employees. There are several categories of workers who are specifically exempted from the workers' compensation law: federal government employees, railroad employees, farmers and farm laborers, domestic servants, business partners, some corporate

officers, and independent contractors.

If facts concerning a claim are contested or liability is questioned, either the employee or the employer/insurer may request a hearing before an Administrative Law Judge. If either party is dissatisfied with the hearing decision, a party may request a review by the Appellate Division. Further appeals may be taken through the court system; however, the courts can review only disputed questions of law while Administrative Law judges and the Appellate Division determine both factual and legal issues. In addition to a hearing, a party may also request mediation to attempt to resolve certain issues.

Although the Subsequent Injury Trust Fund is a separate state agency, the Board and the Fund work closely together. The Fund reimburses the employer/insurer for a portion of workers' compensation benefits paid in cases where a pre-existing permanent impairment combines with a subsequent injury to produce a greater disability than would have resulted from the subsequent injury alone.

In Georgia, employers obtain worker's compensation coverage through private insurers or programs of self-insurance. The workers' compensation program is funded entirely by assessments from insurance companies and self-insured employers.



# MESSAGE FROM THE BOARD

**Carolyn C. Hall, Chairman**  
**Larry Smith, Director**  
**Viola S. Drew, Director**

The Board is pleased to report that the workers' compensation system in Georgia remains strong. Overall costs in the system remain low as compared to the costs of workers' compensation in other states. Despite growth in the state work force, the number of claims with lost time continues to be relatively low as compared with other states. These results are due, in part, to positive changes implemented within the system over the past few years.

The Board relies on the input of representatives in the industry and state government working together as an Advisory Council to improve workers' compensation in Georgia. Each year the Advisory Council makes recommendations for changes in the laws and rules and regulations to improve the system for all participants in Georgia. Modifications made to the system are designed to foster the principle of fundamental fairness to all parties and to insure that injured employees receive quality medical care, the appropriate income benefits and return to suitable employment.

We continue to see improvements within the operations of the Board as well. Mediations are still achieving a success rate of approximately 80% in resolving issues that would otherwise require litigation. The Enforcement Division generated \$1.9 million dollars in additional workers'

compensation premiums for 2003, and 3,750 additional employees became covered by workers' compensation insurance. This additional coverage provides protection for Georgia's workers who may be injured on the job, and insures fair competition among companies operating in Georgia.

With the assistance of the Education Committee of the Advisory Council and the Steering Committee for the Board's Annual Seminar, we continue to pursue the goal of educating the system participants. The Board is committed to educational efforts and believes that education and communication are vital to the responsiveness of the Workers' Compensation system in Georgia.

The Board's web site, **[WWW.SBWC.GEORGIA.GOV](http://WWW.SBWC.GEORGIA.GOV)**, is an online source for information and resources available at the Board. Items such as current Board forms, the Board rules, the Board's education schedule, the Safety Library and other useful information are available electronically.

Our entire agency is committed to making the workers' compensation system in Georgia one that is fair and responsive to workers and businesses throughout the state. We welcome any comments or questions you may have.





# ADMINISTRATIVE SERVICES

**The Administrative Services Division** has responsibility for accounting, payroll, budget, supplies, property management, training, personnel, annual reports, and IT infrastructure support.

The **Accounting Section** provides internal support services to the Atlanta office of the State Board of Workers' Compensation and ten field offices. These services include responsibility for payroll, purchasing, inventory controls, calculation of annual and supplemental assessments, and budget reports. Assessments from approximately 563 self-insured employers plus 392 insurance companies writing workers' compensation coverage in Georgia fund the administrative expenses of operating the Board.\*

## **Annual Operating Budget Assessment Figures**

The **Training Section** continues to expand educational efforts on Workers' Compensation to the general public and in staff development. A Basic Claims Processing Training class was offered in March and October. This session was targeted for persons responsible for the completion of basic workers' compensation forms. Various computer skills classes were conducted through the State Merit System during the year.

**Six Regional Educational Seminars** were held throughout the state allowing local area attendees to gain first hand

knowledge about the provisions of the workers' compensation act. The agenda focused on handling and recognizing non-catastrophic claims, potential catastrophic and actual catastrophic claims. Attendance at the six seminars totaled approximately 450 individuals from the workers' compensation community.

The three-day **Annual Educational Seminar** held in August of each year remains one of the most comprehensive workers' compensation conferences in the southeast. The seminar consisted of four concurrent workshops, a Medical Session, a Legal Session and Claims/Insurer/Self-Insurer Session and a Disability Management and Rehabilitation Session. The workshops featured approximately 80 experts representing various components of worker' compensation. Approximately 900 hundred attendees and eighty vendors participated. A major component of the annual event is the provision of continuing education certifications.

The State Board has credentials as a provider for the following professions at the **2004 Annual Educational Seminar:**

American Association of Occupational Health Nurses-**AAOHN**  
Certification for Case Managers-**CCM**  
Certified Disability Management Specialist-**CDMS**  
Certified Registered Rehabilitation Nurse-**CRRN**  
Certified Rehabilitation Counselor-**CRC**  
Certified Work Adjustment and Vocational Evaluation Specialists-**CWAVES**  
Continuing Legal Education-**CLE**  
Court Reporters Training Council of Georgia-**CRTC**  
Georgia Insurance Agents

The Training Section continues to provide quality educational opportunities for the worker compensation community as well as ensuring a quality standard of service through continued staff development.

The **Information Technology Section** is responsible for the management, implementation and support of the information systems infrastructure that is in place to meet business requirements of the Board. The access to more than 350,000 online claims records is provided through the services managed by the IT staff.

The primary goal of the **Personnel Section** is the selection and retention of individuals with the required skills to implement and support the Board's mission. To accomplish this and auxiliary goals, the Personnel Office is responsible for developing sound practices and procedures, which meet both federal and Georgia State employment guidelines and statutes and for providing an environment where employees become more productive and provide quality service to the constituency.



# ALTERNATIVE DISPUTE RESOLUTION

**The Mission of the Alternative Dispute Resolution (ADR) Division is to provide parties to workers' compensation claims with alternatives to litigation whereby they can obtain final and expeditious resolution of disputes in the workers' compensation arena.**

The **ADR Division** processes requests for Board intervention or legal action in the disposition and resolution of disputed issues where an evidentiary hearing is not required.

The Division issues rulings on a variety of motions and requests for changes of physician or medical treatment, as well as conducts mediation conferences on a number of issues, including global settlement of claims. The ADR Division currently includes six staff attorney/mediators and two Administrative Law Judges. Mediations are held in seventeen locations throughout the state, at locations that are convenient to the parties. Requests for intervention are handled by mediation conferences, telephone communications, conference calls, or by issuance of orders.

The ADR Division provides relief to the Hearings Division and to the parties to a workers' compensation claim by resolving disputes without a hearing or ruling that would be subject to the often time consuming and expensive litigation process. Issues addressed by this Division include: requests for change of physician, approval of income benefits to an employee, provision of medical treatment, resolution of medical disputes, attorney fee lien disputes, and all issues settlements. The goal of ADR is to resolve disputes quickly and eliminate the need for evidentiary hearings or rulings on motions. Since the introduction of the Board's ADR services in July 1994, the number of hearings and appeals has decreased as the number of mediations has increased. In addition, those matters, which do require evidentiary hearings, can

be disposed of more expeditiously.

During the 2003 calendar year, more than 6,000 files were referred to the ADR Division for disposition. Of those matters that were scheduled for mediation conferences, approximately 80% were resolved.



# APPELLATE

The three-member Board constitutes the Appellate Division and is responsible for the administration of the Workers' Compensation Act. The responsibilities of the Board are divided into judicial, administrative, and regulatory functions.

In their judicial capacity, the members of the Board function as a three-judge appellate review panel. The **Appellate Division** hears and reviews cases when a party to a claim files an appeal from an award of an Administrative Law Judge of the Trial Division. The Appellate Division issues a written decision either adopting, amending, or reversing the decision issued by the Administrative Law Judge. Currently, the Appellate Division issues decisions, on average, in less than 60 days from the date of oral argument. During calendar year 2003, the Appellate Division issued over 900 decisions.

The Appellate Division also issues orders approving settlements that have been agreed upon and submitted by the parties in a claim. The judicial function also includes the responsibility of reviewing and issuing orders in claims where the employee is requesting an advance or lump sum payment of future benefits.

The administrative and regulatory functions include responsibility for maintaining the efficient monitoring of all claims and benefit payments to injured workers, ensuring that employers maintain required insurance coverage, approving applications of insurance companies to write workers' compensation insurance and applications of employers to act as self-insurers, and participating in programs to explain the functions of the Board to the general public.

Additionally, the members of the Board work with an advisory council to develop policies and laws affecting workers' compensation and each year, with the advice of the council, promulgates and adopts rules and

regulations affecting workers' compensation processes.



# CLAIMS PROCESSING

**T**he Claims Processing Division includes Mail Room, Data Entry, Documents Processing and File Room Units. The Claims Processing Division is responsible for creating, maintaining and the destruction of the Board files.

The **Mail Room Unit** is responsible for all incoming and outgoing mail activities. This unit receives over 400,000 pieces of mail yearly from injured workers, employers, insurers/self-insurers, and attorneys. The Board mails out approximately 500,000 pieces of mail yearly. This unit is responsible for mailing out Board forms. In the calendar year 2003 over 1,000,000 Board forms were mailed out. This unit serves as a receptionist for the Board.

The **Data Entry Unit** is responsible for the coding and quality input of information from forms submitted by injured workers, employers, insurers/self-insurers, and attorneys. Board forms are the source documents for the creation and maintenance of the database of information that allows the Board to serve the injured worker, employers, attorneys and insurers in the Georgia workers' compensation system.

The **Documents Processing Unit** is responsible for processing 100,000 pieces of correspondence yearly and the maintenance of the record charge-out system. This unit also researches and enters information from correspondence into the computer. This unit coordinates twice-weekly courier service between Atlanta and the Board's offices in Albany, Augusta, Blairsville, Columbus, Covington, Dalton, Gainesville, Macon, Rome, and Savannah. This unit is responsible for creating new records. A total of 38,623 new records were created during calendar year 2003. This unit is responsible for screening hearing request. A total of 16,321 hearing request were processed and referred to the Trail Section for further action.

The **File Room Unit** maintains open claim files, two years of closed files (2002 & 2003) and coordinates the transfer, retention, and destruction of claim files with the State Record Center. This unit processed 47,262 Final WC-4 's for Claims Examiners to review during the calendar year 2003. The File Room maintained approximately 175,000 records at the Board's Atlanta office. In addition, the State Records Center housed approximately 450,000 records, which were closed during calendar years 1994 through 2001. The Board's claim files are destroyed approximately ten years after the date of closing.

## Claims Created Per Calendar Year



# ENFORCEMENT

**The mission of the Enforcement Division is to work with businesses operating in Georgia to assure compliance under the Workers' Compensation Law, to deter fraud through public relations and investigations, and to enforce the rules and regulations of the State Board of Workers' Compensation.**

The Georgia General Assembly passed legislation giving the State Board of Workers' Compensation authority to create the Enforcement Division. The Division's primary goal is directed toward educating and assisting injured workers, businesses, medical providers, and others who are involved in the workers' compensation system to achieve a climate which will assure that legitimately injured workers receive all benefits allowable under the law. To successfully accomplish this goal, the Division investigates and prosecutes both employer non-compliance of insurance requirements and fraud throughout the state.

In addition to investigating fraud and non-compliance activities, the Division is responsible for providing security to the Board's administrative courts, staff and facility. A sworn law enforcement officer with the aid of modern magnetic screening devices insures a safe environment for all court participants and Board staff.

Since operations began the Compliance Unit has conducted over 55,000 random and complaint based compliance checks of businesses to insure that businesses with three or more employees have workers' compensation insurance coverage. As a result 6400 additional businesses have been required to obtain workers' compensation insurance coverage. It is estimated over \$17 million in premium loss has been recovered from these non-compliant employers resulting in insurance coverage for an additional 34,000 employees. In 2003 the Division collected over \$395,000 in fines from employers for their failure to provide workers' compensation insurance coverage.

The General Assembly granted law enforcement powers to the Division in 1997. The legislation authorizes the Board's fraud investigators, who are Certified Peace Officers, to execute search warrants and make arrests pursuant to workers' compensation investigations.

To date, the Fraud Unit has investigated over 1,400 cases and initiated over 300 criminal arrests of persons suspected of committing workers' compensation fraud. The unlawful obtaining or denying of benefits, insurance fraud and other theft by deception related charges are but a few of the type cases investigated and prosecuted by the Fraud Unit.

The Enforcement Division is now responsible for providing workers' compensation insurance coverage information on employers doing business in Georgia. The Board maintains a database on all self-insured and group fund employers. The Board has direct access to the National Council on Compensation Insurance (NCCI). We are able to access information on dates of coverage for all policies of insurance reported to NCCI by Georgia employers. Over 15,000 requests for coverage information are handled each year. This information is available to the general public for verification of their employer's insurance coverage. If no coverage can be located the business is subject to an inspection by the Compliance Unit.





# HEARINGS

The Hearings Division schedules and holds hearings for those claims in which an evidentiary hearing is requested by one of the parties.

Approximately 14,962 cases were referred to the Hearings Division during the 2003 calendar year. Hearings are held before an Administrative Law Judge in the county where the injury occurs or a county within 50 miles of the country of injury. For the convenience of the parties the judges travel throughout the state to hold hearings on contested claims. Hearings may be held in one of the Board's ten field offices or the judge may travel to a location borrowed from a county or other governmental entity.

In 2003 there were 21 Administrative Law Judges hearing cases. All Administrative Law Judges must have a minimum of seven years experience as an attorney before they can become eligible to receive a judicial appointment and must be an active member in good standing with the State Bar of Georgia. Although hearings are somewhat less formal than those held in a State or Superior Court, the parties are usually represented by attorneys, discovery is conducted in accordance with the Civil Practice Act, the Georgia Rules of Evidence for non-jury Superior Court trials apply, and the proceedings are transcribed by a certified Court Reporter.

Most of the cases referred to the Hearings Division are resolved without a hearing but many require judicial action. The judges dispose of motions filed in cases which are or have been set for hearings. Georgia law requires that cases be scheduled for hearing between 30 and 90 days from the date the hearing notice is mailed. Board Policy is that the notices be mailed within 3 to 5 days from receipt of the file by the judge and that the hearings be scheduled between 45 and 60 days from the hearing notice in order to give the parties time to prepare while trying to expedite the hearing process.

After a hearing, the judges allow time for the preparation and receipt of the hearing transcript and then for the submission of briefs by the parties. The Administrative Law Judge then reviews the evidence admitted at the hearing and the briefs submitted by the parties before issuing an Award in the case. The Administrative Law Judge's Award must include findings of fact and conclusions of law. The Judges are responsible for scheduling their

hearings, ruling on motions, having pre-trial conferences if necessary, presiding over the hearing and issuing Awards in a timely manner. The hearing judge's Award may be appealed to the Appellate Division of the Board within 20 days after the Award is issued. Appellate decisions may be appealed to the Superior Court of the county of injury and then to the Court of Appeals and Supreme Court of Georgia at the discretion of the Court of Appeals and the Supreme Court.

Many positive changes have been occurring in the system in recent years and the Hearings Division continues to strive for even more expeditious resolution of contested cases.



# INFORMATION & REFERRAL

The **Information & Referral Division** is responsible for:

- Providing claims assistance to injured employees, employers, insurers and attorneys concerning the status of their claim and other procedural matters.  
Our Information & Referral Specialists average handling over 4000 calls per month.
- Preparing copies of claim files for parties to the case.  
Our Copy Unit averages copying over 550 files (over 35,000 pages) each month.
- Preparing information for Superior Court Appeals.  
We process an average of over 23 files per month.



# LICENSURE & QUALITY ASSURANCE

The Licensure and Quality Assurance Division certified approximately 415 companies and governmental entities that self-insure their workers' compensation liabilities, over 400 insurance companies that write policies of workers' compensation, and approximately 475 rehabilitation suppliers who handle workers' compensation cases.

The Quality Assurance Section of this Division performs audits on 100% of the Employer's First Report of Injury filed by selected insurance companies and self-insurers. Determination is made on compliance with Board rules and regulations to assure that proper payment is being made to injured employees in a timely manner and that penalties are paid when applicable. Our goal is to continually improve the percentage of timely payments. In 2002 88% received their benefits within 21 days.

The Quality Assurance Claims Examiners work with the insurers and self-insurers to assist their claims examiners with the many technical aspects involved in filing Board forms correctly and timely. The Quality Assurance Claims Examiners perform other important regulatory functions, such as identifying errors and problems on files assigned to this section. Review protocols include computation of average weekly wages, compensation rates, lost workdays, timeliness of payments, and review of medical reports. Medical reports are reviewed in accordance with American Medical Association (AMA) guidelines to ensure proper payment of permanent partial disability benefits. Compliance with Board rules and regulations is incorporated into all file reviews.

In addition, the Quality Assurance Claims Examiners continue to manage and review the filing of form WC-4, Delinquent Case Progress Reports. The Board will continue to provide quarterly reports of delinquent filings. In an effort to improve compliance, we are issuing penalties for delinquent submission of the WC-4's.

The Licensure & Quality Assurance Division provides a Medical Claims Coordinator who works with the medical community and the claims payers to provide assistance in proper and timely payment of workers' compensation medical bills.

The Georgia State Board of Workers' Compensation recognizes the importance of safety in the workplace. To assist the employers in Georgia and promote a safe workplace, the Georgia Workers' Compensation Library was established. The library now consists of over 400 videotapes and 29 manuals on a wide variety of safety subjects, many of which are translated into Spanish. Hundreds of Georgia employers are using materials from the Safety Library for their monthly safety meetings and to teach employees better safety practices. The library is a valuable resource that is available to all Georgia employers.

The Licensure & Quality Assurance Department oversees the Certified Workers' Compensation Professional (CWCP) program that was developed by the Licensure and Self-Insurance Committee of the Chairman's Advisory Council. This is an adjuster's training program and completion of the program certifies the participant as a CWCP by the State Board of Workers' Compensation. In 2003 the Board certified 125 and re-certified 228 workers' compensation professionals.



# MANAGED CARE & REHABILITATION

## MANAGED CARE:

There are now 21 certified WC/MCOs covering 95,902 employees in 159 counties in Georgia. The cornerstones of the state's certified managed care organizations continue to be: 1) Case Management without need for written agreement; 2) Employee choice of network physicians; and 3) a Dispute Resolution Process.

Case management within the WC/MCO guides the injured employee with "first day" involvement in the access, care, and treatment by the network provider to ensure the employee's questions are answered and maintain and that the employee receives timely, appropriate and quality medical care. Case managers also help injured employees, physicians, and employers initiate and coordinate return to work goals. Employees further appreciate their ability to choose an authorized treating physician from the expanded network of multiple specialties physicians. The Internal Dispute Resolution Process continues to be the service that distinguishes the certified managed care organizations. Mandatory participation in this 30 day dispute resolution process first, before referring the issue to the Board for a hearing or mediation, to address issues like a second change of physician, treatment issues, or case management concerns, can reduce the cost of a claim for both sides. Moreover, many of the disputes are resolved through this required.

WC/MCOs submit annual re-certification applications and quarterly update reports to the Board for review. Specific data from our certified WC/MCOs is listed in the attached table as a total for all certified WC/MCOs. Board surveys of the doctors, employers/insurers

and employees who participate in the current certified organizations reflect positively on the managed care system.

Information on certified WC/MCOs is available from the Managed Care & Rehabilitation Division and at the Board's website. Including an educational brochure, lists of certified WC/MCOs, counties covered by the certified WC/MCOs, case management guidelines, and the WC/MCO application form with Board rules and procedures. The National Council on Compensation Insurance (NCCI) recommended a 12% credit on workers' compensation insurance premiums for those companies utilizing a managed care organization.

## REHABILITATION:

Rehabilitation Division personnel closely monitored the rehabilitation cases of catastrophically injured workers. The main vehicle for monitoring is the review of the reports submitted by the rehabilitation suppliers. The supplier is required to have a current published rehabilitation plan in place for each catastrophic case so long as rehabilitation services are being delivered. Catastrophic rehabilitation plans are prepared by the suppliers and agreed to by the parties. They may be written for up to one year, with amendments required as needed. In addition, file progress report submissions are due to the Board every 90 days. When disputes arise, rehabilitation conferences are held. Conferences focus on disputes regarding such issues as plan objections, accessible housing, transportation issues, appropriate medical care, vocational issues, etc. The purpose of the rehabilitation conference is to ensure all parties are communicating and the catastrophically injured employee is receiving cost effective,

timely, appropriate and necessary services. In addition, the rehabilitation coordinators are also called upon to issue Administrative Decisions on catastrophic rehabilitation supplier appointments, change in suppliers, rehabilitation closure/reopening, conference topics noted above, and other rehabilitation issues. As always, the Managed Care and Rehabilitation Division remains a continued resource for the case parties and rehabilitation suppliers. In this capacity, many questions and potential problems are addressed through daily telephone inquiries, thereby avoiding the need for more formal procedures.

The rehabilitation coordinators and their secretaries are also responsible for processing catastrophic designation requests. If an employer/insurer does not designate a claim catastrophic, the employee is able to file a request. The employer/insurer are given an opportunity to file an objection and then the rehabilitation coordinators render an Administrative Decision. In this capacity, division personnel also provided technical assistance to attorneys, adjusters, employees and rehabilitation suppliers regarding the catastrophic designation process. They continue to provide training programs on this and other rehabilitation issues at various seminars and events.

**Certified MCO Data**  
**Rehabilitation Data**



# SETTLEMENTS

The objective of the Settlement Division is to fairly and expeditiously assist attorneys, employer/insurers, and employees in complying with O.C.G.A. §34-9-15, O.C.G.A. § 43-9-350, and O.C.G.A. §34-9-222 .The Division assists the Appellate Division in the review and approval of stipulated settlements, lump sum advances, and Subsequent Injury Trust Fund Reimbursement Agreements.

The **Settlement Division** processes applications for lump sum payments, advance payments, Subsequent Injury Trust Fund Reimbursement applications, and stipulated settlements of claims. The examiners review applications for settlements to determine whether all legal requirements are met and ensure that the interests of all parties are fairly represented. Stipulated settlements may be rejected for non-compliance with statutory and board rule requirements; however, they are often corrected and approved at a later date. No-Liability settlements approved by the Board certify that the employee's injury did not occur in the course of his or her employment.

The Subsequent Injury Trust Fund (SITF) submits its reimbursement agreements to the Settlement Division for approval by the Board in compliance with O.C.G.A. §43-9-350. These agreements are made between the SITF and the employer, and outline the SITF's reimbursement responsibilities to the employer. SITF agreements help to facilitate the rehire of injured workers because employers/insurers may be reimbursed in the event of employee re-injury. This also enables previously injured workers to reenter the work force.

Advance Awards provide for a part of the injured employees' permanent partial disability rating to be paid in advance. A lump sum Award provides for the entire permanent partial disability rating to be made in a single payment. Requests are reviewed for compliance with O.C.G.A. §34-9-222 and Board Rule 222. The Board often modifies the advance before approval. The Board

reserves the right to adjust the amount of the requested advance based on its determination of employee circumstances and actual need.

Examiners review and process over 10,000 stipulated settlements, 500 lump sum and advance requests, and 1,000 Subsequent Injury Trust Fund applications on an annual basis.

The Settlement Division also provides rapid responses to telephone and written inquiries as to the status of settlements or lump sum advances. The Division provides "how to" information, as well as present value calculations on an ongoing basis thereby assisting attorneys, employers/insurers, and injured workers in facilitating approval of stipulated agreements and lump sum advances.

**Stipulated Settlements Approved  
SITF Agreements Processed  
Advances & Lump Sum Awards Processed**



# 2003 STATISTICAL CHARTS & TABLES

## CHARTS

### INDUSTRY

- Chart 1 - Distribution of Processed Cases by Major Industry
- Chart 2 - Part of Body Injured in Work Place Accidents 2003
- Chart 3 - Most common Occurring Injuries in the Work Place 2003
- Chart 4 - Claims Distribution by Age 2003

## TABLES

### CLAIMS WITH LOST WORKDAYS BY COUNTY

#### ADMINISTRATIVE SERVICES

- Annual Operating Budget
- Assessment Figures

#### CLAIMS PROCESSING

- Claims Created Per Calendar Year

#### MANAGED CARE & REHABILITATION

- Certified MCO Data
- Rehabilitation Data

#### SETTLEMENTS

- Stipulated Settlements Approved 2003
- Subsequent Injury Trust Fund Agreements Processed 2003
- Advances & Lump Sum Awards Processed 2003

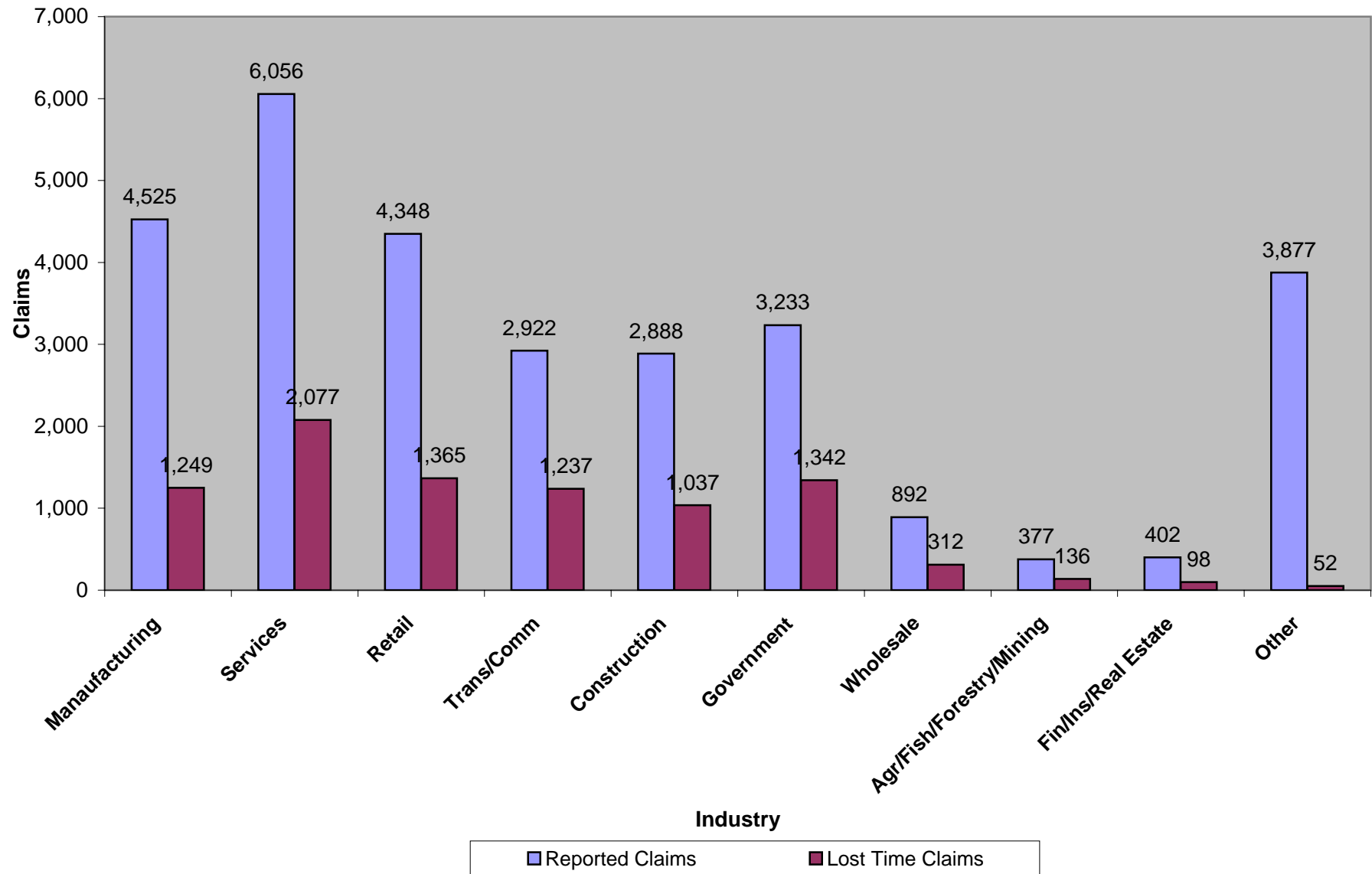
# Chart 1

## Distribution of processed cases by major industry 2003

Chart 1 presents the distribution of reported lost time claims by industry (SIC). Of the 9,244 lost time claims reported for accident year 2003, the Services industry continues to outpace the Manufacturing sector for the greatest number of reported lost time claims\*. In all instances, injuries reporting lost time were less than 50% of all reported injuries. During the last ten years the ratio of reported injuries to employment has remained relatively constant, between 1 and 2%. This year's ratio is less than 1%. Employment estimate is from the Georgia Department of Labor Workforce Information and Analysis.

*Lost Time Claims = a workers' compensation claim with more than seven (7) days of disability.	
DOI Year 2003 Lost Time Claims	9,244
DOI Year 2003 Reported Injuries	29,520
Georgia Estimated Non-agricultural Employment 2003	3,886,581

Workers' Compensation Claims by Industry - 2003





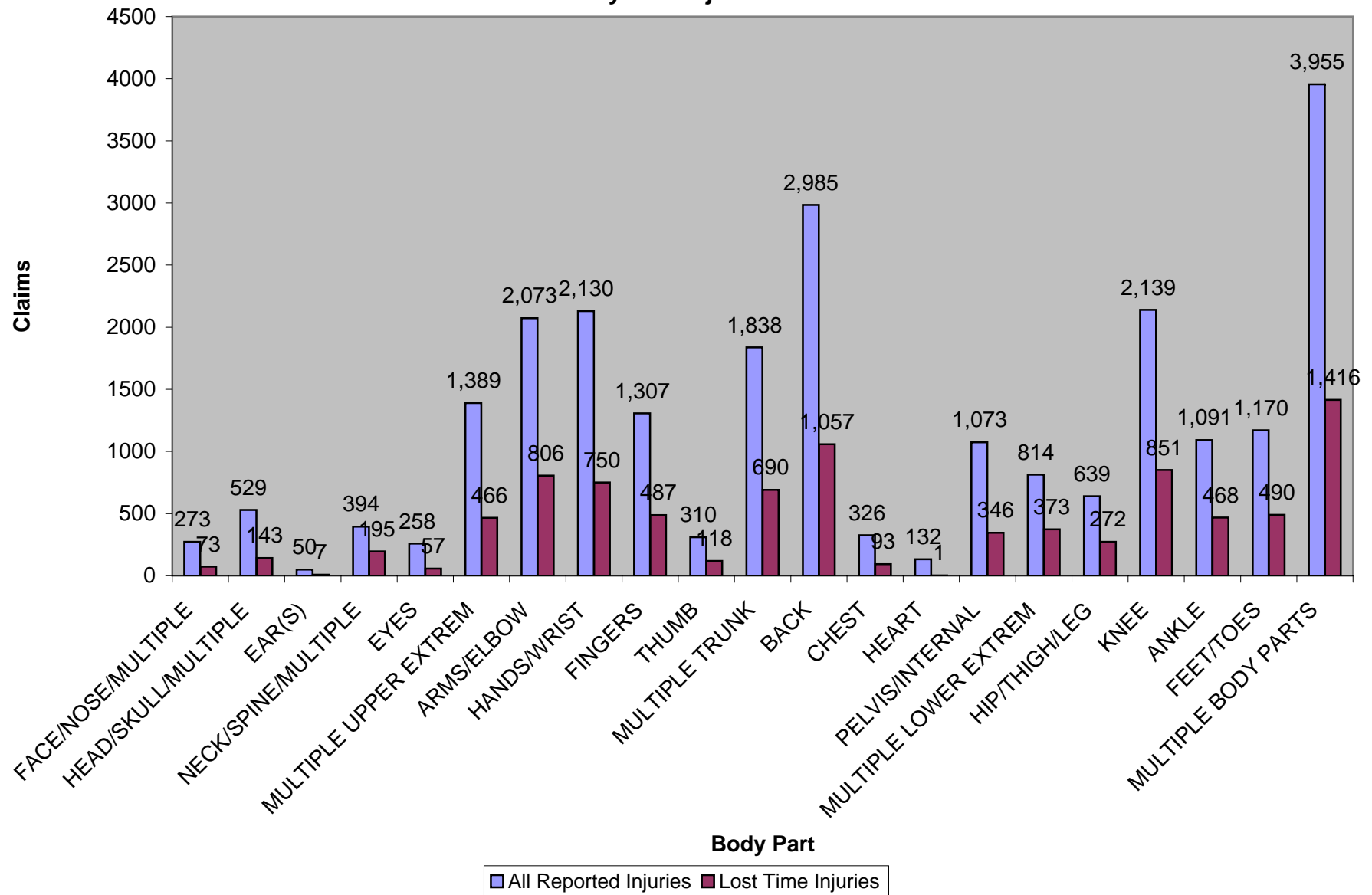
# Chart 2

## Part of body injured in workplace accidents 2003

Injuries to the BACK continue to be the most reported single injury to the body on the Employers First Report of Injury at 10% of all injuries reported and in 11% of the injuries reporting lost time.



Body Part Injured - 2003



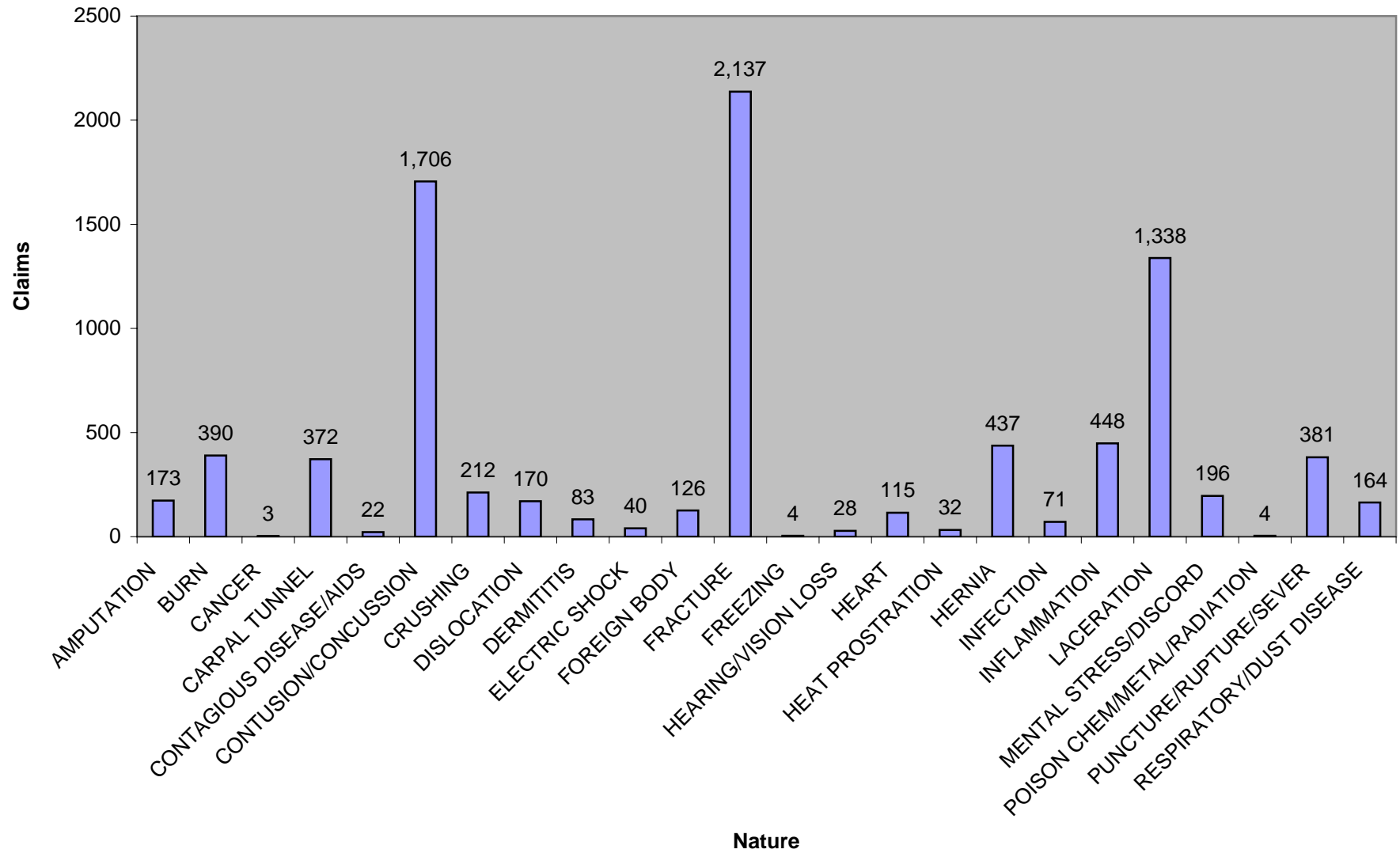
# Chart 3

## Most common occurring injuries in the workplace 2003

This chart lists the type (nature) of injuries reported on the Employer’s First Report of Injury.



## ALL REPORTED INJURIES





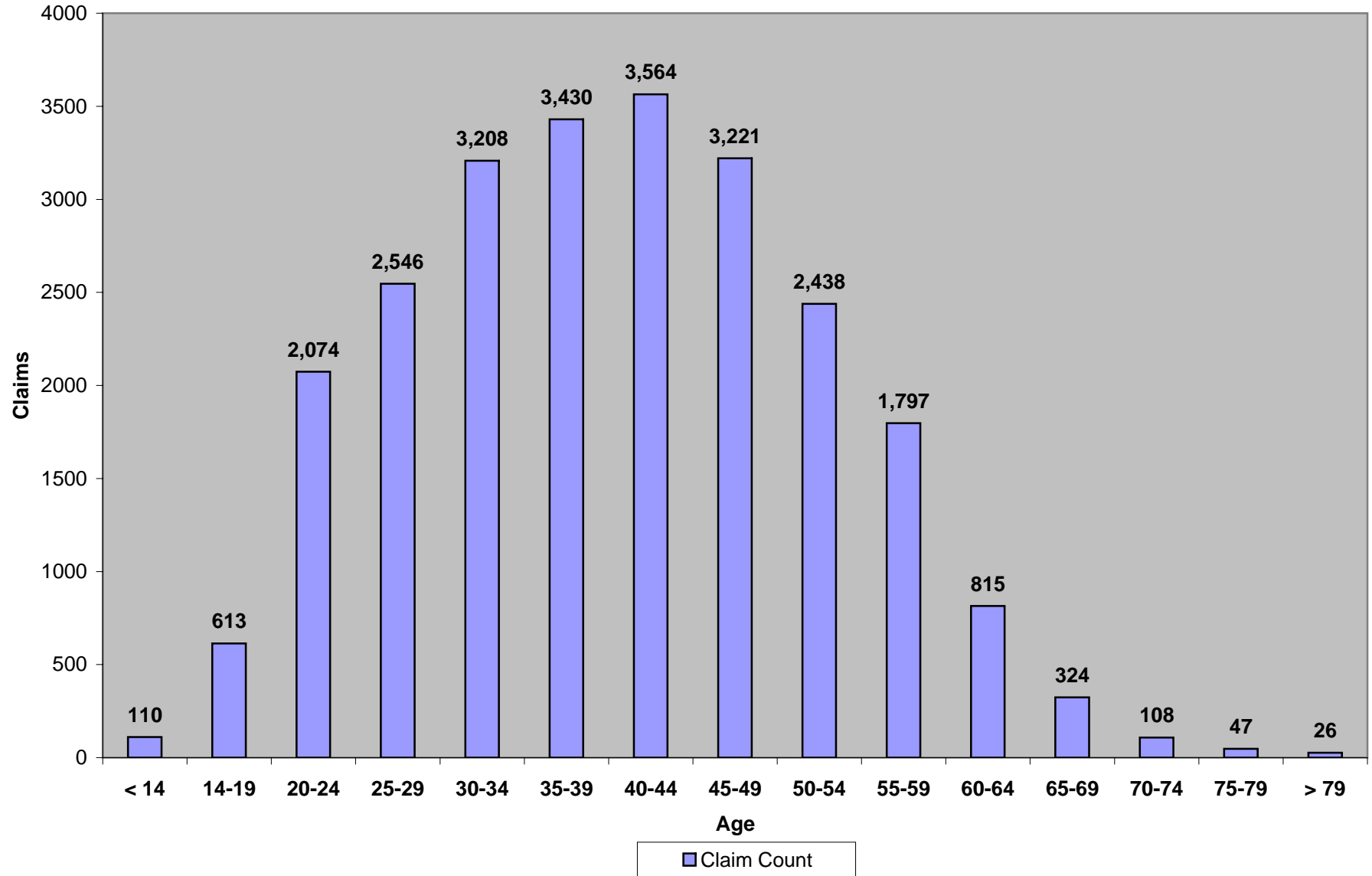
# Chart 4

## Claims Distribution by Age 2003

Chart 4 illustrates the age distribution of reported claims of injuries that occurred in 2003.



**Claims Distribution by Age - 2003**



# CLAIMS WITH LOST WORKDAYS BY COUNTY

The table below shows the number of reported injuries by county for 2003.

County	Injuries	County	Injuries	County	Injuries
Appling	48	Forsyth	232	Polk	108
Atkinson	18	Franklin	77	Pulaski	22
Bacon	30	Fulton	4,763	Putnam	58
Baker	7	Gilmer	76	Quitman	4
Baldwin	186	Glascok	2	Rabun	55
Banks	29	Glynn	383	Randolph	24
Barrow	145	Gordon	168	Richmond	642
Bartow	293	Grady	35	Rockdale	210
Ben Hill	74	Greene	56	Schley	8
Berrien	53	Gwinnett	1,933	Screven	27
Bibb	741	Habersham	128	Seminole	17
Bleckley	50	Hall	477	Spalding	149
Brantley	34	Hancock	17	Stephens	75
Brooks	28	Haralson	57	Stewart	24
Bryan	54	Harris	33	Sumter	114
Bulloch	124	Hart	65	Talbot	18
Burke	62	Heard	13	Taliaferro	2
Butts	66	Henry	408	Tattall	75
Calhoun	17	Houston	275	Taylor	23
Camden	106	Irwin	9	Telfair	48
Candler	16	Jackson	140	Terrell	28
Carroll	308	Jasper	31	Thomas	163
Catoosa	127	Jeff Davis	42	Tift	169
Charlton	29	Jefferson	50	Toombs	98
Chatham	1,007	Jenkins	11	Towns	18
Chattahoochee	2	Johnson	12	Treutlen	6
Chattooga	76	Jones	28	Troup	212
Cherokee	334	Lamar	66	Turner	24
Clarke	357	Lanier	17	Twiggs	19
Clay	15	Laurens	138	Union	55
Clayton	697	Lee	29	Upson	73
Clinch	25	Liberty	117	Walker	176
Cobb	1,686	Lincoln	8	Walton	133
Coffee	186	Long	4	Ware	157
Colquitt	109	Lowndes	385	Warren	19
Columbia	178	Lumpkin	53	Washington	50
Cook	64	Macon	36	Wayne	76
Coweta	203	Madison	32	Webster	4
Crawford	5	Marion	26	Wheeler	15
Crisp	97	McDuffie	51	White	55
Dade	26	McIntosh	19	Whitfield	449
Dawson	49	Meriwether	55	Wilcox	13
Decatur	91	Miller	4	Wilkes	20
Dekalb	1,960	Mitchell	66	Wilkinson	23
Dodge	49	Monroe	71	Worth	36
Dooly	48	Montgomery	11	Out of State	552
Dougherty	367	Morgan	40	Unknown	1,640
Douglas	291	Murray	103		
Early	37	Muscogee	598		
Echols	7	Newton	209		
Effingham	60	Oconee	59		
Elbert	68	Oglethorpe	13		
Emanuel	62	Paulding	125		
Evans	39	Peach	114		
Fannin	37	Pickens	60		
Fayette	274	Pierce	35		
Floyd	296	Pike	12		

# Administrative Services

## Annual Operating Budget FY 2003

Number of Positions	166
Personal Services	\$10,083,171
Regular Operating Expenses:	
Motor Vehicle Expenses	1,400
Supplies & Materials	97,000
Postage	170,000
Repairs & Maintenance	51,850
Energy	1,800
Publications & Printing	71,500
Rents (other than Real Estate)	10,000
Insurance & Bonding	2,000
Equipment (Less than \$1,000)	10,000
Shipping/Delivery/Freight	278
Other Operating Expenses	64,287
Travel	146,600
Equipment Purchase	44,048
Real Estate Rentals	1,337,338
Per Diem, Fees & Contracts	145,100
Computer Charges	291,976
Telecommunications	202,828
Payments to State Treasury	1,423,053
Total	\$14,154,229

## Assessment Figures

Fiscal Year	Premium Writings \$	Funds Collected \$	Premium Factor
2003	1,417,754,567	13,878,545	0.980



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Calendar Year	Created WC-1	Created WC-14	Total Created
2000	34,114	9,711	43,825
2001	32,252	10,033	42,285
2002	31,002	9,387	40,389
2003	29,520	9,103	38,623

# Managed Care & Rehabilitation

## Certified MCO Data

Employer Clients (self-insured).....	8
Insurer/Insured Employers.....	9,417
Number of Employees covered.....	99,398
Number of Injuries	
Lost Time.....	537
Med Only .....	1,429
Number of Case Management Cases	
Lost Time.....	420
Med Only .....	1,178

## Rehabilitation Data

Current Total Cases .....	1,029
Current Catastrophic Cases .....	1,011
(g)(1)-(5) .....	434
(g)(6) .....	570
pre-1992 .....	7
Current Non Cat Cases .....	18
Rehabilitation Plans Reviewed in 2003.....	1,258
Rehabilitation Progress Reports Reviewed in '03.....	2,784
Rehabilitation Conferences held 2003 .....	86
Catastrophic Administrative Decisions in 2003 .....	437
Other Administrative Decisions issued in 2003 .....	377
Telephone Consultations .....	3,250

# Settlements

The table below summarizes the number of stipulated settlements approved in calendar year 2003.

## Stipulated Settlements Approved 2003

	<u>Approved</u>	<u>Amount Paid</u>
Liability	9,441	\$238,408,147
No-Liability	3,045	32,397,823
Totals	12,486	\$270,805,970

Average Settlement = \$21,688.77

The table below summarizes the number of Subsequent Injury Trust Fund Reimbursement Agreements approved in calendar year 2003.

## Subsequent Injury Trust Fund Agreements Processed 2003

	<u>Approved</u>
SITF Agreements	912

The table below summarizes the number of Advances and Lump Sum Awards processed in calendar year 2003.

## Advances & Lump Sum Awards Processed 2003

	<u>Approved</u>	<u>Denied</u>
Advance Awards	483	23
Lump Sum Awards	4	0
Totals	487	23

# APPENDICES

APPENDIX A – Glossary

APPENDIX B – Contact Information

APPENDIX C – Summary of Workers’ Compensation Provisions

APPENDIX D – Board Forms





# APPENDIX A – GLOSSARY

**Advance payment** - a partial lump sum payment.

**Average weekly wage** - the wage upon which indemnity payments are calculated. It is the average of the weekly wages earned by an injured employee for the 13 weeks immediately preceding the injury.

**Benefit cost** - payments made or payable to an occupationally ill employee, dependent(s) or the Subsequent Injury Trust Fund, including indemnity for lost wages, medical, and other miscellaneous cost.

**Actual benefit cost** - actual benefit cost as reported to date during the life of the claim. Does not include anticipated future cost.

**Claim** - a request for payment of money or for necessary services, in accordance with the workers' compensation law, based upon occurrence of a work-related injury or illness.

**Closed claim** - a workers' compensation claim in which all benefits due have been paid.

**Compensable claim** - a workers' compensation claim which qualifies the injured or occupationally ill worker or dependents for any of the benefits under the workers' compensation law, whether compensation for loss of earnings, medical treatment, rehabilitation, etc.

**Indemnity benefit (income benefit)** - payments made under the provisions of the workers' compensation law to the injured or occupationally ill worker, dependent(s) or the Subsequent Injury Trust Fund, excluding payment made for burial, medical or related expenses.

**Indemnity claim** - a workers' compensation claim in which an indemnity payment was made.

**Lost time claim** - a workers' compensation claim in which more than seven days of disability have occurred.

**Lost work days** - actual days on which, because of occupational injury or illness, the employee was away from work. The number of lost workdays (consecutive or not) does not include the day of injury or onset of illness or any normal scheduled off days even though able to work. Fatalities are calculated at one day or actual lost work days to date of death.

**Lump sum payment** - a single payment of all remaining weekly indemnity benefits.

**Medical-only claim** - an occupational injury or illness, where medical and related benefits are paid or payable, but where indemnity benefits are not payable.

**Nature of injury or illness** - identifies the injury or injured or illness in terms of its principal physical characteristics such as burns, poisoning, and sprains.

**Open claim** - a claim in which benefits may still be payable.

**Part of body** - identifies the part(s) of the injured or ill person's body directly affected by the injury or illness described.

**Permanent partial disability** - partial in character but permanent in quality, resulting from loss or loss of use of body members or from partial loss of use of the employee's body as a whole.

**Processed claim** - a claim, open or closed, for which data from at least one case progress report has entered the electronic data information system, in addition to code data from the first report of injury.

**Source injury or illness** - identifies the object, substance, exposure, or bodily motion which directly produced or inflicted the injury or illness described; for example: chemicals, machines, and ladders.

**Stipulated settlement** - final resolution of a contested claim by an agreement of the parties and approval of the three-member Board.

**Temporary partial disability** - partial in character but temporary in quality; able to perform work at a reduced rate of pay for no more than 350 weeks immediately following an occupational injury and before the employee has reached maximum recovery.

**Total disability** - total in character and either temporary or permanent in quality; unable to perform any work for pay as a result of an occupational injury or illness.

**Type of accident** - identifies the event which directly resulted in the injury or illness, such as a fall, robbery or criminal assault, and motor vehicle accident.

# APPENDIX B

## Contact Information



# APPENDIX C

## Summary of Workers' Compensation Provisions



# APPENDIX D

## GEORGIA STATE BOARD OF WORKERS' COMPENSATION FORMS JULY 2004

FORM#	REVISION	COLOR	TITLE
WC-BOR	03	Pink	Bill of Rights for the Injured Worker
WC-BORSp	03	Pink	Bill of Rights for the Injured Worker in Spanish
WC-P1	02	Pink	Panel of Physicians
WC-SpP1	03	Pink	Panel of Physicians in Spanish
WC-P2	01	Pink	Conformed Panel of Physicians
WC-SpP2	03	Pink	Conformed Panel of Physicians in Spanish
WC-P3	01	Pink	WC/MCO Panel
WC-SpP3	03	Pink	WC/MCO Panel in Spanish
WC-1	03	White	Employer's First Report of Injury
WC-2	03	White	Notice of Payment or Suspension of Benefits
WC-2a	03	White	Notice of Payment or Suspension of Death Benefits
WC-3	01	White	Notice to Controvert
WC-4	03	White	Case Progress Report
WC-6	00	White	Wage Statement
WC-7			Application for Self Insurance
			*Packet Available through Licensure & Quality Assurance Division (404) 656-4893
WC-10	99	White	Notice of Election or Rejection of Workers' Compensation Coverage
WC-11	98	White	Standard Coverage Form Group Self-Insurance Fund Members
WC-12	03	White	Request for Copy of Board Records
WC-14	01	White	Notice of Claim/Request for Hearing/Request for Mediation
WC-15	02	White	Attorney Affidavit for No Liability Stipulations
WC-20(a)	99	White	Medical Report
WC-25	03	White	Application for Lump Sum/Advance Payment
WC-26	00	White	Consolidated Yearly Report of Medical Only Cases
WC-100	02	White	Request for Settlement Mediation
WC-102	03	White	Request for Documents to Parties
WC-102B	02	White	Notice of Representation
WC-102C	02	White	Attorney Leave of Absence
WC-102D	02	White	Motion/Objection to Motion
WC-104	98	White	Notice to Employee of Medical Release to Return to Work with Restrictions or Limitations
WC-108a	01	White	Attorney Fee Approval
WC-108b	01	White	Attorney Withdrawal/Lien
WC-121	98	White	Notice of Use of Servicing Agent
WC-200a	99	White	Change of Physician/Additional Treatment by Consent
WC-200b	98	White	Request/Objection for Change of Physician/Additional Treatment
WC-205	01	White	Request for Authorization of Treatment or Testing by Authorized Medical Provider
WC-206	03	White	Notice of Intent to Become a Party at Interest
WC-207	03	White	Authorization and Consent to Release Information
WC-208a	98	White	Application for Certification of WC/MCO
			*Packet available through Managed Care & Rehabilitation Division (404) 656-3784
WC-226(a)	03	White	Petition for Appointment of Temporary Guardianship of Minor
WC-226(b)	03	White	Petition for Appointment of Temporary Guardianship of Legally Incapacitated Adult
WC-240	02	White	Notice to Employee of Offer of Suitable Employment
WC-240A	02	White	Job Analysis
WC-243	98	White	Credit/Reduction in Benefits
WC-244	98	White	Notice of Intent to Become a Party of Interest
WC-R1	02	White	Request for Rehabilitation
WC-R1CATEE	03	White	Employee's Request for Catastrophic Designation
WC-R2	02	White	Rehabilitation Transmittal Form
WC-R2a	02	White	Individualized Rehabilitation Plan
WC-R3	02	White	Request for Rehabilitation Closure

